

# Annual Budget

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Fiscal Year 2016/2017





# Total Budget

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- 2015/2016
  - \$74,748,380
- 2016/2017
  - \$71,119,175
- 5% decrease



# Capital

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- General Fund
  - \$3,630,906 (Grant funding of \$1,110,591)
- Utilities
  - \$3,013,799



# Partnerships

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- Burke Development, Inc.
  - \$255,397
- Burke County Library
  - \$232,500
- Burke County Emergency Communications
  - \$240,518
- Burke County Narcotics Task Force
  - \$20,000
- Foothills Regional Airport
  - \$46,774
- Total \$795,189



# Once-in-a-lifetime Opportunities

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- Redevelopment of the Broughton campus and adjoining State property
- Western campus of the North Carolina School of Science and Mathematics



# General Fund

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- 2016/2017
  - \$22,389,825



# General Fund

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- Tax rate remains constant
  - .53 per \$100 valuation
  - One cent equals approximately \$157,041
  - Total budget
    - \$8,239,9340
    - 37% general fund revenues



# General Fund

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- Motor vehicle tax - \$20
  - Replaces privilege license tax
  - \$240,000
  - Annual charge on tax renewal



# General Fund

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- Sales Tax Reform
  - \$248,000
- Total Sales Tax Budget
  - \$3,748,000
    - 10% growth



# General Fund

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- Downtown tax rate remains constant
  - .14 per \$100 valuation
  - One cent equals approximately \$8,400
  - Total budget \$116,436
  - Funds 20% of the Main Street expenditures
  - Masterplan - \$255,000
    - \$96,107 from State of North Carolina



# Solid Waste (garbage) Fee

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- No increase - \$10.00 per month
  - \$1,142,000 budgeted



# State Collected Revenues

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- Utility Franchise Tax - \$1,865,000
- Beer and Wine Tax - \$78,867
- Powell Bill - \$478,917



# General Fund

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- Occupancy tax
  - \$90,000
- 2017 Red, White and Bluegrass Festival
  - 3 day event
  - \$100,000 Expenditures
  - \$80,000 Revenues
  - July 4<sup>th</sup> will be a free, family fun day

# General Fund

- \$3,630,906 Capital Budget includes:
  - CoMMA
    - \$60,000 Brick and mortar repair
    - \$73,000 Sound improvements



# General Fund

- Public Safety CIP
  - \$770,000 installment financing proceeds for the fire truck and patrol cars.
  - Grant funds of \$524,484 are included for equipment.
    - \$400,000 Fire truck



# General Fund

- Public Safety CIP (continued)
  - \$385,000 Patrol car replacements



# General Fund

- Public Safety CIP (continued)
  - \$421,826 Fire equipment / gear
  - \$96,000 Facilities improvements



# General Fund

- Public Works

- Rear loader and sweeper - \$443,000 funded by installment financing
- \$178,000 Rear loader



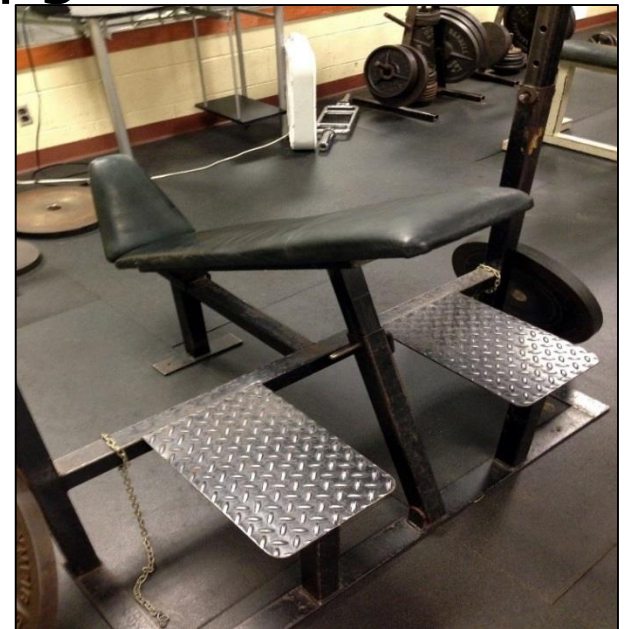
# General Fund

- Public Works (continued)
  - \$52,000 Good Habit Rabbit replacement
  - \$37,500 Mowing equipment
  - \$265,000 Street sweeper



# General Fund

- Recreation
- \$70,000 Masterplan
  - \$49,000 Weight room upgrade



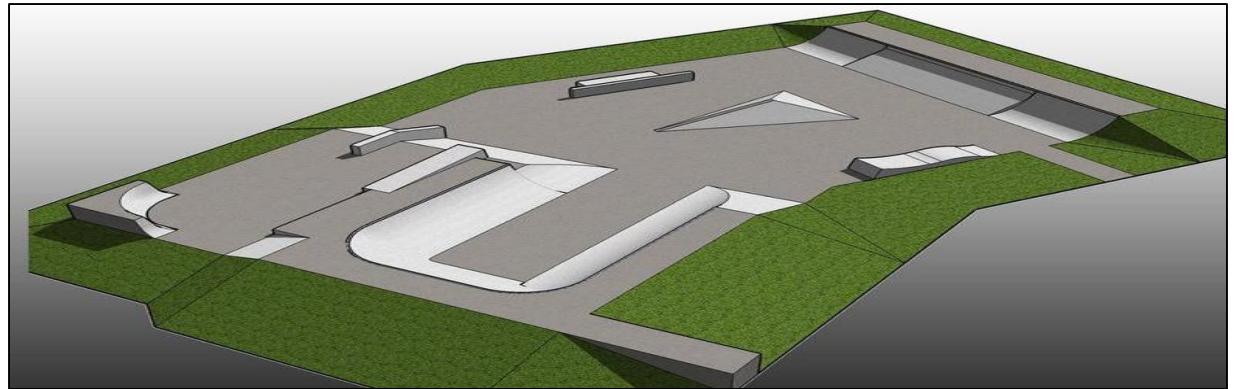
# General Fund

- Recreation (continued)
  - \$80,000 Park improvements
  - \$400,000 MLK, Jr. Park renovation
    - \$150,000 Kate B. Reynolds Foundation
    - \$250,000 Recreation Foundation



# General Fund

- Recreation (continued)
  - \$180,000 Skate park
    - \$75,000 General Fund
    - \$90,000 Recreation Foundation
    - \$15,000 Private Donations



# General Fund

- Recreation (continued)
  - \$64,000 Mowing equipment
  - \$20,000 Petanque courts





# Appropriation of Fund Balance

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- Total \$173,642
- Still meets council policy of 15% or greater fund balance



# Water Fund

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- 2016/2017
  - \$5,890,500
- No change in rates
  - Rate Study
- Masterplan
- Capital projects
  - Clearwell Storage \$1,258,552

# Water Fund

- Capital (continued)
  - Water tank maintenance \$309,000
  - Line replacement \$350,000



# Water Tank Maintenance





# Water Fund

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- Usage growing by 1% annually
- Using 48% of total capacity
  - \$8.7 million gallons per day
- Reduced non-billed by 13%



# Electric Fund

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- 2016/2017
  - \$33,641,125
- .4% average wholesale rate decrease
- Recommended rate decrease of 1.6% effective with the August 1, 2016 billing
  - Typical Residence \$2.40
  - Commercial and Industrial \$21 - \$400
- Rate Stabilization \$350,000

# Electric Fund

- Capital projects
  - \$760,425
    - Financing 2 trucks (just over \$350,000 total)



# Electric Fund

- Capital (continued)
  - Pole Inspections/Replacements \$50,000
  - Upgrades to older substations \$160,000





# Wastewater Fund

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- 2016/2017
  - \$5,339,328
- No change in rates
- Plant operating at 45% of capacity
  - 4.7 million gallons per day
- Reduced non-billed by 12%



# Wastewater Fund

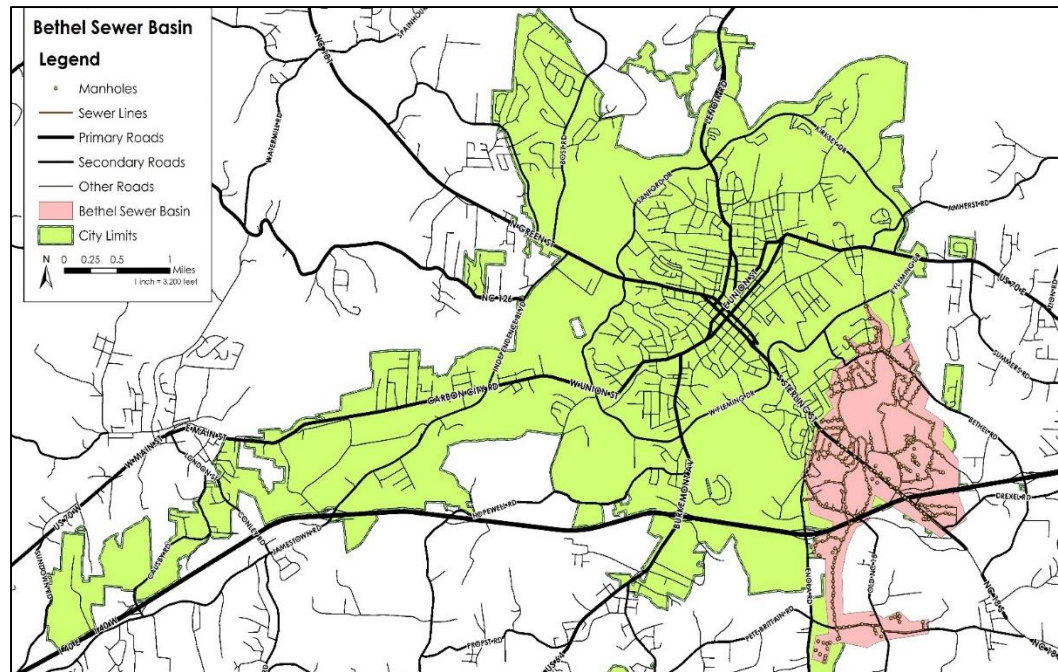
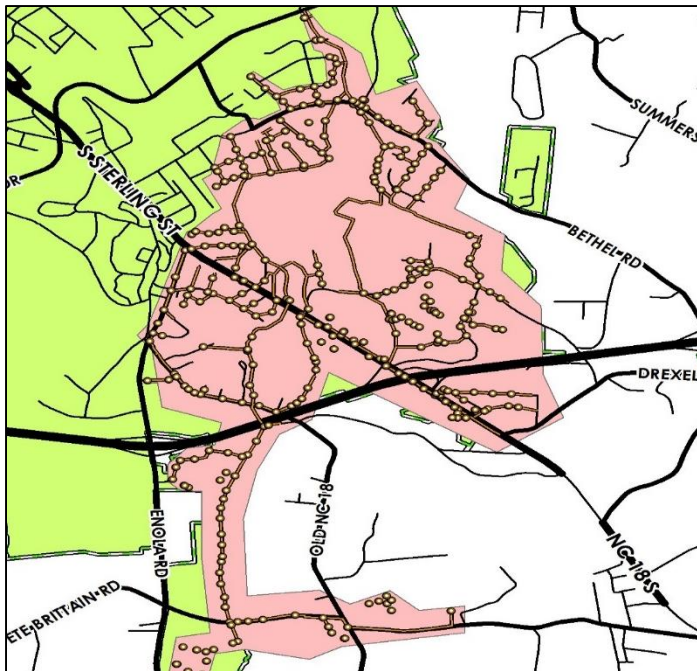
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- Capital

- Project to convert from a pure oxygen facility to a traditional treatment facility is in design
  - \$621,170
- Masterplan
- Sewer line rehab and manhole rehab
  - \$250,000

# Wastewater Fund

- Capital (continued)
  - Bethel basin rehab \$200,000



The logo graphic consists of a yellow square, a red square, and a blue square overlapping each other, with a black crosshair-like structure intersecting them.

# CoMPAS

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- 2015/2016 Budget
  - \$4,535,000
- Consultant retained
- Viable business with restructuring
- Video service declining
- Internet growing



# CoMPAS Video

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- August 1, 2016 some equipment costs and premium programming costs will increase
  - Equipment costs \$2 - \$7 per month
  - HBO from \$15.95 to \$17.95
- January 1, 2017 basic cable service will go from \$70.95 per month to \$75.63 per month



# CoMPAS Internet

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- Customers at lowest speed will be grandfathered – 10 Mbps
  - Will pay \$2 per month modem rental fee
- 20 and 30 Mbps speeds will be eliminated
  - Customers upgraded to 50 Mbps
  - \$49.95 per month



# CoMPAS Internet (continued)

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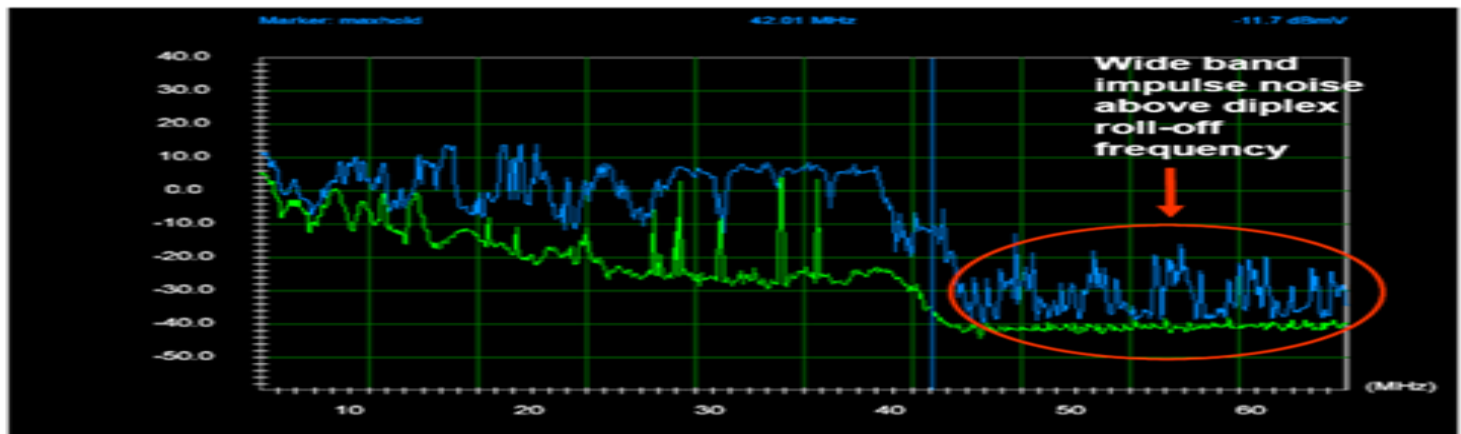
- 2016/2017
  - \$10 bundling discount
- 2017/2018
  - \$5 bundling discount
- 2018/2019
  - Bundling discount eliminated

# CoMPAS

- Capital

- \$153,200

- System expansion \$50,000
    - Upgrade to troubleshooting system \$50,000
    - Fiber activation \$20,000





# Cemetery Trust Fund

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- 2015/2016 Budget
  - \$11,750
- Lot and niche sales/marker sales remain at \$10,000 - \$12,000 per year

# Intergovernmental Service Fund

- 2016/2017 Budget
  - \$2,057,065
- IRMS - \$975,449
  - Support contracts - \$286,580
  - Document Imaging - \$50,000

## **Document Scanning and Imaging**

- ✓ *High Resolution Scanning*
- ✓ *Indexing*
- ✓ *OCR (keyword searchable files)*
- ✓ *Document Management Software*
- ✓ *Paperless Office Solutions*



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# Intergovernmental Service Fund

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- Warehouse
  - \$352,000
- Equipment Services
  - \$730,000
  - Fuel purchases \$475,000
  - Capital \$48,000
    - Brake Lathe
    - Air Compressor



# Personnel

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- 1.0% COLA increase – July 9, 2016
  - \$112,190 City-wide
- 1.5% merit increase – March 4, 2017
  - \$56,000 City-wide
- Pay and classification study \$40,000
- Self insured to fully insured
  - \$700,000 savings



# Summary...

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- 2016/2017 budget \$71,119,175
- No services decreased or eliminated
- Masterplans
- No ad valorem tax increase
- \$20 motor vehicle tax
- Traditional utility rates remaining the same or decreasing



# Summary...

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- The challenge...
  - Build on the budget to strengthen our partnerships
  - Identify new initiatives in our masterplanning
  - Fight for the redevelopment of the State property
  - Continue to invest in our quality of life amenities



# Summary...

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- Support initiatives that make Morganton special
- Remain committed to supporting existing businesses
- Attract new business
- Work together to achieve dreams and success for this community